

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301  
Indianapolis, IN 46204  
(317) 233-0696  
<http://www.in.gov/legislative>

**FISCAL IMPACT STATEMENT**

**LS 7270**

**BILL NUMBER:** HB 1533

**NOTE PREPARED:** Jan 9, 2005

**BILL AMENDED:**

**SUBJECT:** Subjects of Educational Discussion and Bargaining.

**FIRST AUTHOR:** Rep. Torr

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:**     **GENERAL**  
                              **DEDICATED**  
                              **FEDERAL**

**IMPACT:** Local

**Summary of Legislation:** This bill removes the requirements that a school employer: (1) discuss certain items relating to school employment, teaching methods, textbooks, and students; and (2) bargain collectively regarding hours of employment; with the exclusive representative of certificated school employees of the school employer. It removes the requirement that items included in the 1972-1973 collective bargaining agreement between an employer school corporation and the school employee organization continue to be subjects for collective bargaining. The bill provides that a collective bargaining agreement in effect on June 30, 2005, is not affected by the removal of these requirements. The bill makes conforming amendments. It also removes references to repealed sections of the Indiana Administrative Code.

**Effective Date:** July 1, 2005.

**Explanation of State Expenditures:**

**Explanation of State Revenues:**

**Explanation of Local Expenditures:** Under current law, a school is required to discuss, but does not have to collectively bargain:

1. Working conditions, other than compensation and benefits.
2. Curriculum development and revision.
3. Textbook selection.
4. Teaching methods.
5. Hiring, promotion, demotion, transfer, assignment, and retention of teachers.

6. Student discipline.
7. Expulsion or supervision of students.
8. Pupil-teacher ratios.
9. Class size or budget appropriations.

The bill would eliminate the statutory requirement that these items be topics of discussion.

In addition, under existing statute, any items that were included in the 1972-1973 agreements between a school corporation and the employee organization are required to continue to be collectively bargained. This bill also eliminates this requirement. Consequently, the bill could reduce the operating cost of local schools. It is unknown what, if any, of the above items are included in current collective bargaining agreements and the dollar value of those items. The impact on local school corporations from the repeal of this provision will depend on future local administrative actions and negotiated agreements.

The 2004 school general fund budgets were about \$5.9 B, and the property tax levy was about \$1.9 M. Teachers salaries represent about 55% of the school budget, and fringe benefits are about 16% of the budget.

**Explanation of Local Revenues:**

**State Agencies Affected:**

**Local Agencies Affected:** Local Schools.

**Information Sources:**

**Fiscal Analyst:** Chuck Mayfield, 317-232-4825.